

File Number _____

Effective Date _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

INTERIM RECLAMATION CONTRACT

---ooOoo---

For the purpose of this INTERIM RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) M/021/005; M/021/008;
M/021/001 (partial)
(Mineral Mined) Iron Ore

"MINE LOCATION":
(Name of Mine) Comstock; Iron Mountain
(Description) _____

"DISTURBED AREA":
(Disturbed Acres) 393.5
(Legal Description) See Exhibit A

"OPERATOR":
(Company or Name) Geneva Steel
(Address) P.O. Box 2500
Provo, Utah 84603
(Phone No.) (801) 227-9000

"OPERATOR'S REGISTERED AGENT":

(Name)

(Address)

(Phone No.)

Robert A. Johnson

Vice President and General Counsel

Geneva Steel

10 South Geneva Road

Vineyard, UT 84058

227-9000

"OPERATOR'S OFFICER(S)":

Robert J. Grow - President

"SURETY":

(Form of Surety - Exhibit B)

Self Bonding and Indemnity

Agreement (Exhibit B-1)

Surety Bond (Exhibit B-2)

"SURETY COMPANY":

(Name, Policy or Acct. No.)

See Exhibit B-2

"SURETY AMOUNT":

(Escalated Dollars)

\$1,180,500

"ESCALATION YEAR"

1991

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

EXHIBITS:

A DESCRIPTION OF
DISTURBED AREAS

B-1 "SELF BONDING AND
INDEMNITY AGREEMENT"

B-2 "SURETY BOND"

Revision Dates:

This Interim Reclamation Contract (herein referred to as "Contract") is entered into between Operator and the Board.

WHEREAS, Operator has entered into a Reclamation Contract with the State by and through the Division of Oil, Gas and Mining (the "Division") relating to an approved reclamation plan under Notice of Intention (NOI) File No. M/021/008, and has provided surety therefor approved by the Board of Oil, Gas and Mining (the "Board"); and

WHEREAS, the Division and the Operator desire that NOI M/021/008 be modified to include nearby small mining operations of Operator; and

WHEREAS, the Operator has purchased the so-called Comstock Mine from CF&I Company, and that mine is subject to NOI M/021/005 held by CF&I; and

WHEREAS, the Operator has applied for transfer of NOI M/021/005 to Operator, and approval of such transfer requires that Operator enter into a reclamation contract with the Division and provide a substitute surety bond approved by the Board; and

WHEREAS, the Operator has purchased the so-called UII Comstock Plant Area from BHP Utah International, Inc., and that area, together with other properties held by BHP Utah International, Inc., is subject to NOI M/021/001 held by BHP; and

WHEREAS, the Operator has applied for a partial transfer of NOI M/021/001 to Operator, and approval of such transfer requires that Operator enter into a reclamation contract with the Division and provide a substitute surety bond approved by the Board; and

WHEREAS, the Operator and the Division desire to consolidate NOI's M/021/008, M/021/005, and the portion of M/021/001 covering the UII Comstock Plant Area (referred to as "the Subject NOI's") into a single NOI; and

WHEREAS, additional technical data must be provided by Operator and reviewed by the Division in order to finalize the Operator's revised and consolidated reclamation plan and to determine with precision the amount of the surety needed therefor; and

WHEREAS, Operator and the Board have agreed that an interim reclamation contract should be entered into by Operator and the Board and an interim surety bond be provided by Operator to be effective until Operator's revised and consolidated reclamation plan is approved and a final reclamation contract with an accompanying surety bond can be consummated.

NOW, THEREFORE, the Board and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Subject NOI's, and the reclamation plans under the Subject NOI's as applicable.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board, which surety is in the form of the sureties attached hereto as Exhibits B-1 and B-2 and made a part hereof. Each surety shall remain in full force and effect according to its terms unless modified by the Board in writing. If a surety contract expressly provides for cancellation, then, not less than 30 days prior to the expiration date of the surety, the Operator shall provide a replacement surety in a form and amount acceptable to the Board. If the Operator fails to so provide an acceptable replacement surety, the Division may order the Operator to cease further mining activities and to begin reclamation of the site. In addition, if the Operator fails to so provide an

acceptable replacement surety, the Division may call or draw upon the full amount of existing surety prior to cancellation or expiration.

3. Operator agrees to pay public liability and property damage claims resulting from mining as determined by the Board or the Division, to the extent provided in the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Subject NOI's, and the reclamation plans under the Subject NOI's as applicable.
5. This Contract shall remain in force until superseded by a definitive Reclamation Contract and an accompanying surety bond based upon an approved reclamation plan covering the Disturbed Area to be defined with particularity therein, which should occur within one year of the date hereof. If the Operator fails to secure an approved definitive Reclamation Contract and an accompanying surety covering the disturbed area within one year after the Effective Date of this Contract, Operator will initiate reclamation or petition the Board for an extension of this Contract or for such other relief as may be appropriate under the circumstances. The Operator's liability under this Contract may be partially terminated and the amount of the surety adjusted correspondingly if the Division certifies that the Operator has reclaimed discrete portions of the Disturbed Area in accordance with the Act and implementing rules, the Subject NOI's and the reclamation plans, as applicable.

6. Operator agrees to indemnify and hold harmless the State, Board and Division from any claim, demand, liability, cost charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents, and employees, or contractor to comply with this Contract.
7. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
8. This Contract shall be governed and construed in accordance with the laws of the State.
9. If Operator shall default in the performance of the obligations heretofore, Operator agrees to pay all costs and expenses, including attorneys fees and costs generated by the Division and/or the Board in the enforcement of this Contract.
10. Any breach of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Division, or Board, as appropriate, may revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety, or take such other action as is authorized by law.
11. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this contract. Any excess monies resulting from forfeiture of the Surety, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.

12. This Contract represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.

13. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

SO AGREED this _____ day of _____, 19__.

APPROVED AS TO FORM AND AMOUNT OF SURETY:

By _____
Chairman, Board of Oil, Gas and Mining

DIVISION OF OIL, GAS AND MINING:

By _____
Director

Date

STATE OF _____)
_____) ss:
COUNTY OF _____)

On the _____ day of _____, 19____, personally
appeared before me, who being by me duly sworn did say that he/she,
the said _____ is the Director
of the Division of Oil, Gas and Mining, Department of Natural
Resources, State of Utah, and he/she duly acknowledged to me that
he/she executed the foregoing document by authority of law on behalf
of the State of Utah.

Notary Public

Residing at: _____

My Commission Expires:

Page 8 of _____

OPERATOR:

By _____
Corporate Officer - Position Date _____

STATE OF _____)
) ss:
COUNTY OF _____)

On the _____ day of _____, 19____, personally
appeared before me _____ who being by
me duly sworn did say that he/she, the said _____
is the _____
of _____ and duly acknowledged that said
instrument was signed on behalf of said company by authority of its
bylaws or a resolution of its board of directors and said
_____ duly acknowledged to me that said
company executed the same.

Notary Public

Residing at:

My Commission Expires:

Page 9 of

EXHIBIT A

to
Interim Reclamation Contract
Geneva Steel

Description of disturbed areas and estimated reclamation costs. All acreages are subject to adjustment after completion of pending survey.

I. Iron Mountain Mine Area

A. Areas covered by NOI M/021/008

1.	Iron Mountain NE $\frac{1}{4}$ Sec. 2, T37S, R14W	12 acres	\$36,000
2.	Blackhawk Fines Area E $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 34, SW $\frac{1}{4}$ Sec. 35, T36S, R14W; NW $\frac{1}{4}$ Sec. 2, T37S, R14W	27 acres	\$81,000
3.	Mountain Lion S $\frac{1}{2}$ Sec. 19, NW $\frac{1}{4}$ Sec. 30, T36S, R13W	53 acres	\$159,000

B. Areas not previously covered by NOI's or previously exempt as small mining operations

1.	Burke Pit SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 34, SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 35, T36S, R14W	1.5 acres	\$4,500
2.	Chesapeake & Excellsior W $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ S $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 25, T36S, R14W	8 acres	\$24,000
3.	Tip Top E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 25, T36S, R14W	3 acres	\$9,000

II. Comstock Mine Area

A. Area included among others and covered by NOI M/021/002 (BHP-Utah Minerals International).

1.	UII Comstock Plant Area W $\frac{1}{2}$ Sec. 29, E $\frac{1}{2}$ Sec. 30, T36S, R13W	36 acres	\$108,000
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B. Area covered by NOI M/021/005 (CF&I Company)

1. Comstock Area	253 acres	\$759,000
Portions of Sec. 30, T36S, R13W (Original acreage 265. Twelve acres subsequently covered by NOI M/021/008 as item I.A.1 above - Iron Mountain Mine)		

TOTAL:	\$1,180,500
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EXHIBIT B-1

to
Interim Reclamation Contract
Geneva Steel

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, Utah 84180-1203
(801) 538-5340

SELF BONDING AND INDEMNITY AGREEMENT

This Self Bonding and Indemnity Agreement "Agreement") is entered into by and between Geneva Steel ("Operator") and the State of Utah, Department of Natural Resources, Board of Oil, Gas and Mining ("Board"). The Board and the Operator find that:

WHEREAS, pursuant to the Mined Land Reclamation Act, § 40-8-1 et seq., Utah Code Annotated (1953, as amended) ("Act") and applicable rules, the Operator has executed an Interim Reclamation Contract relating to Permit Nos. M/021/001 (partial), M/021/005, and M/021/008 from the Division of Oil, Gas and Mining ("Division") to operate the Comstock and Iron Mountain Mines, both iron mines, in Iron County, Utah, which location is more specifically described in Exhibit A; and,

WHEREAS, the Board and the Operator agree that, upon permanent cessation of operations, complete reclamation of the Comstock and Iron Mountain Mines pursuant to Permit Nos. M/021/001 (partial), M/021/005, and M/021/008, including revisions and amendments

(collectively "Permits"), the Act, and applicable rules is essential to protect the land from future harm due to prolonged deterioration; and,

WHEREAS, the Operator has requested that the Board accept a written contractual agreement as reclamation surety required by the Act to cover \$540,549 of the \$1,180,500 total surety amount established for reclamation under the Permits; and,

WHEREAS, the Operator has designated Robert A. Johnson, Vice President and General Counsel, Geneva Steel, 10 South Geneva Road, Vineyard, Utah 84058 as its agent for service of process in the State of Utah; and,

WHEREAS, the Operator has been in continuous operation as a business entity for more than four years; and,

WHEREAS, as is indicated on financial sheets submitted to the Board, the Operator meets the financial criteria for a written contractual agreement; and,

WHEREAS, the Operator has submitted to the Division and Board financial statements which are accompanied by an audit opinion prepared by Arthur Anderson & Co. which indicated compliance with the financial criteria.

NOW, THEREFORE, in return for permission to mine pursuant to the Act, the applicable rules and the Permit, in addition to other consideration, the sufficiency and receipt of which is hereby acknowledged, the Operator agrees to be held and bonds to the Board for the sum of \$540,549 for the timely performance of reclamation responsibilities for the Comstock and Iron Mountain Mines, Permit Nos. M/021/001 (partial), M/021/005, M/021/008, in United States

currency. By the submission of this Agreement, the Operator will and truly binds itself, its successors and assigns, jointly and severally, by these presents.

The conditions of the above obligations as set forth and subject to the provisions of the Interim Reclamation Contract are such that:

1. The Operator shall perform all duties and fulfill all requirements applicable to reclamation of the Iron Mountain & Comstock Mines as set forth in the Act, the applicable rules, and the terms of the Permits.

2. The liability under this Agreement is conditioned upon successful reclamation of the permit area as provided in the reclamation plan for the Permits for the period of time and in the manner specified in the Act, the applicable rules, and the terms of the Permits. The liability or responsibility of the Operator hereunder is \$540,549, provided that the Board may adjust the amount of liability hereunder as provided in Section 5 hereof.

3. Geneva Steel (operator) hereby agrees to indemnify and hold the Board and Division harmless from any claim, demand, liability, costs, charge, or suit brought by a third party as a result of the Operator's failure to abide by the terms and conditions of the Reclamation Plan as set forth in the Permits and from any failure to comply with the terms of this Agreement.

4. Upon successful completion of part or all of the obligations secured hereby, the Operator may petition the Board for a final release of part or all of the obligations under this Agreement. Upon such petition, the Division shall conduct an

inspection to ascertain whether duties and obligations of the Operator under the Act, the applicable rules, and the Permits have been fulfilled. If it is determined that such duties and obligations have been fulfilled, the Board shall release the Operator from part or all of its obligations under this Agreement and shall file a notice of such release in the property records of Iron County, Utah.

5. Periodically or at the request of the Operator, this Agreement shall be reviewed by the Division and the amount of liability adjusted if the Division determines that the cost of future reclamation has materially changed.

6. The Operator may terminate this Agreement by providing written notice to the Board no less than 120 days prior to the date of termination. The Operator must provide an alternate reclamation surety in the form and amount satisfactory to the Board prior to 30 days before the stated date of termination, upon failure of which the notice of termination shall be ineffective.

7. The Board may terminate this Agreement by providing written notice to the Operator no less than 120 days prior to the date of termination unless the Board determines that the Operator no longer meets the financial criteria for a written contractual agreement whereupon the Board may shorten the above-stated notice period for termination of this Agreement. The Operator must provide an alternate reclamation surety in the form and amount satisfactory to the Board prior to 30 days before the stated date of termination.

8. If the Operator fails to secure an approved definitive Reclamation Contract and an accompanying surety covering the disturbed area within one year after the effective date of this Contract, or if the Operator fails, within the time periods set out paragraph seven of this Agreement, to provide an alternative reclamation surety satisfactory to the Board, the Operator will initiate reclamation or petition of the Board for an extension of this Agreement or for such other relief as may be appropriate under the circumstances.

9. Pursuant to the Interim Reclamation Contract, this Agreement shall be modified or superseded by a surety satisfactory to the Board to assure the performance of reclamation as provided in the final approved reclamation plans for the Permits.

10. This Agreement will be governed and interpreted according to Utah law.

11. In addition to any other liability described above, the Operator shall pay reasonable attorney fees and costs incurred by the Board if the Board is successful in any action or suit regarding this agreement.

SO AGREED this _____ day of _____, 19____.

Geneva Steel

Date

Corporate Officer Name and title

Date

Corporate Officer Name and Title

Date

James W. Carter, Chairman
Board of Oil, Gas and Mining

APPROVED AS TO FORM:

Thomas A. Mitchell
Assistant Attorney General

STATE OF _____)
 : ss.
COUNTY OF _____)

On the _____ day of _____, 19____, personally appeared before me _____ and _____ who being by me duly sworn did say that he, said _____ is the _____ of GENEVA STEEL and said _____ is the _____ of GENEVA STEEL and said instrument was signed in behalf of said corporation by authority of its bylaws or a resolution of its Board of directors and said _____ and _____ duly acknowledged to me that said corporation executed the same.

NOTARY PUBLIC, residing in

My commission expires:

EXHIBIT A

to
Self Bonding and Indemnity Agreement
Geneva Steel

Description of disturbed areas and estimated reclamation costs. All acreages are subject to adjustment after completion of pending survey.

I. Iron Mountain Mine Area

A. Areas covered by NOI M/021/008

1.	Iron Mountain NE $\frac{1}{4}$ Sec. 2, T37S, R14W	12 acres	\$36,000
2.	Blackhawk Fines Area E $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 34, SW $\frac{1}{4}$ Sec. 35, T36S, R14W; NW $\frac{1}{4}$ Sec. 2, T37S, R14W	27 acres	\$81,000
3.	Mountain Lion S $\frac{1}{2}$ Sec. 19, NW $\frac{1}{4}$ Sec. 30, T36S, R13W	53 acres	\$159,000

B. Areas not previously covered by NOI's or previously exempt as small mining operations

1.	Burke Pit SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 34, SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 35, T36S, R14W	1.5 acres	\$4,500
2.	Chesapeak & Excellsior W $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ S $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 25, T36S, R14W	8 acres	\$24,000
3.	Tip Top E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 25, T36S, R14W	3 acres	\$9,000

II. Comstock Mine Area

A. Area included among others and covered by NOI M/021/002 (BHP-Utah Minerals International).

1.	UII Comstock Plant Area W $\frac{1}{2}$ Sec. 29, E $\frac{1}{2}$ Sec. 30, T36S, R13W	36 acres	\$108,000
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B. Area covered by NOI M/021/005 (CF&I Company)

1.	Comstock Area	253 acres	\$759,000
	Portions of Sec. 30, T36S, R13W (Original acreage 265. Twelve acres subsequently covered by NOI M/021/008 as item I.A.1 above - Iron Mountain Mine)		

TOTAL:	\$1,180,500
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EXHIBIT B

MR FORM 5

March 1991
(Noncoal)

Bond Number 400HR 7285
Permit Number M/021/001, 005 & 008
Mine Name _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

THE MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned GENEVA STEEL,
as Principal, and ST. PAUL FIRE AND MARINE INSURANCE COMPANY,
as Surety, hereby jointly and severally bind ourselves, our heirs, administrators,
executors, successors, and assigns, jointly and severally, unto the State of Utah, Division
of Oil, Gas and Mining (Division) in the penal sum of SIX HUNDRED THIRTY NINE THOUSAND
dollars (\$ 639,951.00). NINE HUNDRED FIFTY ONE AND NO/100

Principal has estimated in the Mining and Reclamation Plan approved by the
Division on the 10th day of June, 19 91, that 393.5
acres of land will be disturbed by mining operation in the State of Utah.

A description of the disturbed land is attached hereto as "Attachment 1"

The condition of this obligation is that if the Division determines that Principal
has satisfactorily reclaimed the disturbed lands in accordance with the approved Mining
and Reclamation Plan and has faithfully performed all requirements of the Mined Land
Reclamation Act, and complied with the Rules and Regulations adopted in accordance
therewith, then this obligation shall be void; otherwise it shall remain in full force and
effect.

If the Mining and Reclamation Plan provides for periodic partial reclamation of
the disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act
and regulations, then Principal may apply for a reduction in the amount of this Surety
Bond.

In the converse, if the Mining and Reclamation Plan provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal to be performed prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation of regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Dated this 27th day of August, 1991.

State of Utah
Board of Oil, Gas and Mining

James W. Carter, Chairman

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Date 30 AUGUST 1991

Geneva Steel
Principal (Permittee)

By (Name typed): Robert A. Johnson

Title: Vice President

Signature: Robert A. Johnson

Date August 27, 1991

ST. PAUL FIRE AND MARINE INSURANCE COMPANY
Surety

By (Name typed): EARL D. BROWN

Title: ATTORNEY-IN-FACT

Signature: Earl D. Brown

*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

AFFIDAVIT OF QUALIFICATION

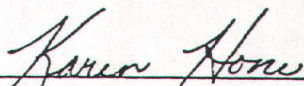
EARL D. BROWN, being first duly sworn, on oath deposes and says that he/she is the (officer or agent) Attorney-In-Fact of said Surety, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertaking and obligations.

Signed: 

Surety Officer

Title: Attorney-In-Fact

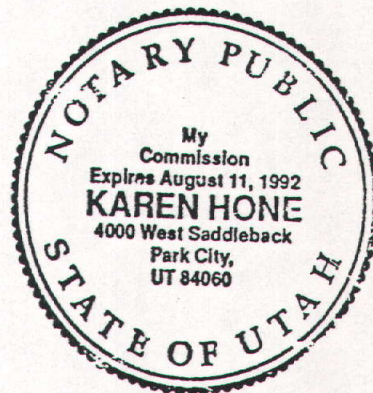
Subscribed and sworn to before me this 27th day of August, 1991.


Notary Public

Residing at: Park City, Utah

My Commission Expires:

8-11, 1992



"ATTACHMENT 1"

Geneva Steel
Operator

Iron Mountain & Comstock Areas
Mine Names

M/021/001, 005 & 008
Permit Nos.

Iron County, Utah

The disturbed lands and estimated reclamation costs are described as follows (all acreages are subject to adjustment after completion of pending survey):

I. Iron Mountain Mine Area

A. Areas covered by in NOI M/021/008

- | | | | |
|----|---|----------|-----------|
| 1. | Iron Mountain
NE $\frac{1}{4}$ Sec. 2, T37S, R14W | 12 acres | \$36,000 |
| 2. | Blackhawk Fines Area
E $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 34, SW $\frac{1}{4}$
Sec. 35, T36S, R14W,
NW $\frac{1}{4}$ Sec. 2, T37S, R14W | 27 acres | \$81,000 |
| 3. | Mountain Lion
S $\frac{1}{2}$ Sec. 19, NW $\frac{1}{4}$ Sec. 30,
T36S, R13W | 53 acres | \$159,000 |

B. Areas not previously covered by NOI's or previously exempt as small mining operations

- | | | | |
|----|--|-----------|----------|
| 1. | Burke Pit
SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 34, SW $\frac{1}{4}$ NW $\frac{1}{4}$
Sec. 35, T36S, R14W | 1.5 acres | \$4,500 |
| 2. | Chesapeak & Excellsior
W $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ S $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 25,
T36S, R14W | 8 acres | \$24,000 |
| 3. | Tip Top
E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 25, T36S, R14W | 3 acres | \$9,000 |

II. Comstock Mine Area

A. Area included among others and covered by NOI M/021/002 (BHP-Utah Minerals International).

- | | | | |
|----|--|----------|-----------|
| 1. | UII Comstock Plant Area
W $\frac{1}{2}$ Sec. 29, E $\frac{1}{2}$ Sec. 30,
T36S, R13W | 36 acres | \$108,000 |
|----|--|----------|-----------|

B. Area covered by NOI M/021/005 (CF&I Company)

1.	Comstock Area	253 acres	\$759,000
	Portions of Sec. 30, T36S, R13W (Original acreage 265. Twelve acres subsequently covered by NOI M/021/008 as item I.A.1 above - Iron Mountain Mine)		

TOTAL:	\$1,180,500
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For verification of the authenticity of this Power of Attorney, you may telephone toll free 800-328-2189 and ask for the Power of Attorney Clerk. Please refer to the Certificate of Authority No. and the named individual(s).

1130753

GENERAL POWER OF ATTORNEY - CERTIFIED COPY
(Original on File at Home Office of Company. See Certification.)

KNOW ALL MEN BY THESE PRESENTS: That St. Paul Fire and Marine Insurance Company, a corporation organized and existing under the laws of the State of Minnesota, having its principal office in the City of St. Paul, Minnesota, does hereby constitute and appoint:

Earl D. Brown, Karen Hone, Doris Martin,
Karen A. O'Neill, individually,
Salt Lake City, Utah

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise,

NOT TO EXCEED IN PENALTY THE SUM OF TEN MILLION (\$10,000,000) EACH

and the execution of all such instrument(s) in pursuance of these presents, shall be as binding upon said St. Paul Fire and Marine Insurance Company, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be certified to and may be revoked, pursuant to and by authority of Article V, Section 6(C), of the By-Laws adopted by the Board of Directors of ST. PAUL FIRE AND MARINE INSURANCE COMPANY at a meeting called and held on the 23rd day of January, 1970, of which the following is a true transcript of said Section 6(C):

- "The President or any Vice President, Assistant Vice President, Secretary or Resident Secretary shall have power and authority
- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and
 - (2) To appoint special Attorneys-in-fact, who are hereby authorized to certify to copies of any power-of-attorney issued in pursuance of this section and/or any of the By-Laws of the Company, and
 - (3) To remove, at any time, any such Attorney-in-fact or Special Attorney-in-fact and revoke the authority given him."

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 6th day of May, 1959, of which the following is a true excerpt:

"Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached."



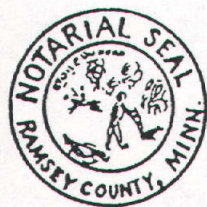
IN TESTIMONY WHEREOF, St. Paul Fire and Marine Insurance Company has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 1st day of March, A.D. 1984.

ST. PAUL FIRE AND MARINE INSURANCE COMPANY

STATE OF MINNESOTA } ss.
County of Ramsey

[Signature]
Vice President

On this 28th day of May, 19 87, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said that he/she is the therein described and authorized officer of St. Paul Fire and Marine Insurance Company; that the seal affixed to said instrument is the Corporate Seal of Said Company; that the said Corporate Seal and his/her signature were duly affixed by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal, at the city of St. Paul, Minnesota, the day and year first above written.

Mary Clancy

MARY C. CLANCY, Notary Public, Ramsey County, MN
My Commission Expires November 1, 1990

CERTIFICATION

I, the undersigned officer of St. Paul Fire and Marine Insurance Company, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.



IN TESTIMONY WHEREOF, I have hereunto set my hand this

27th day of August, 19 91

[Signature]
Secretary

Only a certified copy of Power of Attorney bearing the Certificate of Authority No. printed in red on the upper right corner is binding. Photocopies, carbon copies or other reproductions of this document are invalid and not binding upon the Company.

ANY INSTRUMENT ISSUED IN EXCESS OF THE PENALTY AMOUNT STATED ABOVE IS TOTALLY VOID AND WITHOUT ANY VALIDITY.